

GENERAL SALES AND DELIVERY CONDITIONS (GSDC)

I. VALIDITY

Deliveries, services and offers provided by our company are based exclusively on these "Praher – General Sales and Delivery Conditions", abbreviated "GSDCs", which apply as part of our General Terms and Conditions (T&Cs), but do not substitute them. These GSDCs represent a general agreement between the contract parties, even if no reference is made explicitly to these delivery conditions, and are always to be read in connection with the latest issue of the Praher T&Cs. We do not recognise contradictory, alternative or supplementary conditions used by the party placing an order unless we have expressly agreed to their validity in writing. Counter confirmations by the party placing the order with reference to their business terms or purchasing conditions are expressly rejected herewith.

II. PROPOSAL AND SIGNING OF CONTRACT

Our proposals are always subject to change. The written order confirmation defines the scope and terms of the order delivery and only becomes legally binding after it has been signed.

III. PRICE

Unless agreed otherwise, the prices we have quoted are excluding VAT, ex works or stores, including standard packaging, in € (EURO). All additional costs such as costs of freight and insurance are to be borne by the Buyer. Likewise, the Buyer has to bear all costs for every kind of tax, dues and customs duty. Additional work is invoiced according to the actual wage and personnel costs used. Fees and costs that arise to fulfil authorities' legislation at the place of installation or are connected with supplies and services, are to be borne by the Buyer. Our prices are the prices that are valid at the time the contract is signed. In case, after the contract has been signed but before the goods are shipped to the customer, costs that are outside our control change and affect the calculation of our prices, we are entitled to adjust the price correspondingly.

IV. PAYMENT TERMS / DEFAULT

Unless agreed otherwise, our requests for payment are to be paid on schedule against handover of the goods. Any agreements regarding discounts expire as soon as payment or part payment is delayed. The payment by the Customer is not valid until the sum has reached our business account and is deemed paid. If the Customer defaults on payment we are entitled to choose between demanding reimbursement of the actual damage incurred or – providing the contract is not for credit business with an end consumer – or to invoice for interest on arrears at a rate of 6% p.a. above the discount interest rate of the Austrian National Bank, where our minimum rate is set to 12%.

V. DELIVERY PERIOD

The delivery periods specified are always ex-works and can never be regarded as final deadlines unless otherwise expressly agreed. The delivery period does not apply until all commercial and technical details needed to fulfil the contract have been received and the payment terms clarified. Consequential damages due to non-timely delivery or non delivery are excluded. The Customer is entitled to withdraw from the contract if the goods are not delivered within the delivery period, a reasonable extension period has been set, and the extension period has also expired without the goods being delivered. This right to withdraw from the contract does not apply, however, if we issue a ready-to-ship note or start shipment of the goods but are unable through no fault of our own to deliver within the non-binding confirmed delivery period. If the Customer or a forwarding agent picks up the goods then they must arrive punctually at the agreed time. If the appointment for picking up ready-to-ship goods is not kept to we are entitled to do as we please with the goods the next day. The Buyer bears all costs arising from delayed pickup or preparation of freight material. If the contracts or deliveries involve several delivery periods/dates agreed for partial consignments and these are not adhered to by the Buyer, nor is there any success within an extension period, then we are entitled to deliver the remaining goods or to retain the non-delivered part of the contract or to demand damages for non-compliance with the contract.

VI. DELIVERY, PACKAGING, SHIPMENT, DELAYED ACCEPTANCE

Retention of title applies exclusively to all deliveries. Own-

ership is not transferred to the Buyer until their entire obligations relating to our goods supplies have been settled. Partial deliveries are permissible, may not be rejected if the delivery is otherwise found to be in order, and authorise us to present an invoice for partial payment. Our goods are packaged – to the extent this is agreed and confirmed in writing, either as we see fit using standard commercially acceptable methods or as specified by the customer (individual packages, special colours, etc.) – at the customer's expense. Costs of packaging to customers specifications are listed in a separate invoice. Packaging material will not be taken back, except in the case of reusable containers. If reusable containers are returned to the supplier's works within 2 months of the date the goods were delivered the costs invoiced will be credited to the Buyer's records. Returns are to be accompanied with the invoice date and invoice number with which the reusable containers were originally invoiced. The Supplier is entitled to deduct part of the price if the reusable containers are returned damaged to the extent that they cannot be used again or not all of the containers are returned. Claims cannot be made against us for packaging faults if the goods are packaged by us using our standard packaging methods. Unless agreed otherwise, goods are dispatched using a means of suitable transport and at the risk of the recipient. A processing fee of € 19.00 is invoiced if the goods are to be delivered to an address that is different from the address of the Customer.

On receipt, the goods are to be checked to make sure they are in order. Any damage or loss is to be immediately reported on the shipping note when the goods arrive before they are unloaded so that a claim for damages can be made to the forwarding agent. If the ordered goods are not accepted as agreed, the Supplier can claim compensation after setting a reasonable extension period. If goods are returned, not accepted or the Buyer withdraws from the contract, we will charge a fixed price of 15% of the order value to cover processing costs and loss of profit for the relevant goods – in addition to the costs incurred to be determined by the deliverer. If the Buyer exchanges series articles or other justifiable goods within our product range, we will invoice for the same order value an additional 5% of the value of the goods on top of the purchase price to cover the Supplier's costs. If non justifiable goods are exchanged then the Buyer has to bear the costs incurred in excess of the fixed price due to loss or expense during reuse.

VII. RETENTION OF OWNERSHIP

The goods supplied remain our property until the invoice has been paid in full. Moreover, our Customers may only resell goods still under our ownership in normal business transactions under retention of ownership.

VIII. WARRANTY

We guarantee that our goods at the time of acceptance possess the contractually agreed properties, that the materials used have been processed correctly, that they comply with the recognised laws applicable to engineering and technology and do not possess flaws that reduce their value or cancel or reduce their capability to be used as normal or as specified in the contract. The warranty period starts on the date the goods are dispatched ex works and lasts for 2 years. The warranty does not include parts that, due to their function, have a normal service life shorter than the guarantee period specified by law for moving parts. The warranty also excludes: damage due to natural wear, insufficient maintenance, disregard of operating and instruction manuals, excessive stress, unsuitable utilities, chemical or electrolytic influences, incorrect installation by the Buyer or third parties, modifications performed by Buyer and incorrect handling as well as the consequences of other reasons that are not within our scope of responsibility. The customer's right to claim damages in relation to rectifying a fault through improvement or replacement cannot be implemented unless we have defaulted on fulfilling our warranty obligations. If the customer maintains that a fault is evident, claims resulting as a consequence, especially relating to warranty or damages, can only be made valid within the first 6 months after shipment of the goods to the customer if the customer can prove that the fault was already present at the time the goods were dispatched.

Providing the installation of the goods supplied in a plant component is not excluded due to its condition, a war-

ranty period of 2 years is agreed. For goods supplied that cannot be installed in a plant component due to their condition, a warranty period of 2 years is agreed. Our obligation to provide a warranty expires if the Buyer or a third party changes or repairs the goods supplied without our written permission, or if the Buyer does not take immediate suitable action to limit the extent of damage so we are able to rectify the fault. Our obligation expires in any case when the warranty period expires; special cases involving the customer claiming an extension to the warranty period because the customer has fulfilled warranty obligations themselves, are excluded. We assume no liability of any kind whatsoever for repairs performed by the customer, or modifications made to old goods or goods not supplied by us. Old goods are those for which the warranty period of 2 years specified above has already expired or where the Buyer knows the part was already used by us or a third party. If the Supplier damages a workpiece due to incorrect processing of the material and a claim is made within the legal warranty period, the Supplier may choose to provide replacement through credit or by physically replacing the part returned to the works. Claims for replacement of any kind over and above this will not be recognised, unless the Supplier has displayed gross negligence in non-professional processing.

In all other cases the legal grounds of the current Austrian warranty laws for consumer business will be used as a basis. In addition, the customer is to immediately check the goods after handover in accordance with the Austrian Business Enterprise Code, or within 6 working days at the latest. We must be notified of any defects in writing immediately, within 3 working days of being discovered at the latest, stating the nature and extent of the defect. If no complaint relating to a defect is made, or it is not made in time, the goods shall be deemed approved.

IX. DESCRIPTION OF GOODS, SAMPLE DELIVERIES, STARTING SERIES PRODUCTION

Descriptions and prices in our pricelists are not binding. We reserve the right to make changes at any time if they represent an improvement to our products. If an order is produced based on the Buyer's design specifications, drawings, raw material instructions or models, then we are not liable for the correctness of the design or selection of materials, but merely that the contract has been fulfilled in accordance with the Buyer's instructions. The Buyer is to hold us harmless and indemnify us without restriction in the case of infringement of third party property rights. Samples and initial sample test reports of "O" series of pressed parts and injection moulded parts will be made available to the Buyer before the start of series production. These samples will be produced free-of-charge until the tool capability and sample clearance have been established. When the samples are approved, the Supplier will receive the confirmed initial sample test report back from the Buyer. Accepted deviations from the specifications must be confirmed in writing by the Buyer. The Supplier cannot start series production until the samples have been approved in writing.

NOTE: If no other arrangement has been made, the agreed article price will be invoiced for initial series before starting series production. The Supplier is obliged to carry out the supply according to the confirmed samples and the accuracy of the sample dimensions is guaranteed to the extent technically possible for the type of materials used and the type of work piece involved as well as for the quality-related features laid down in the tolerances. The Supplier assumes no liability for the selection of the material itself or for the material-related form of the work piece if the Buyer did not provide all critical details on the use of the work piece and the demands expected of it in good time, i.e. at the time of the initial project meeting. This also applies in the situation that suggestions for the choice of material and the design of the work piece suitable for the material are made by the supplier or prompted by the Supplier in the drawings, specifications or samples provided by the Buyer.

Dimensions and tolerances of the work pieces are to be expressly agreed when the contract is awarded to the Supplier. Dimensions without tolerance specifications will be maintained with the dimensional accuracy possible for the material and shape of work piece in question, or according to the largest size without tolerance specified in the standard concerning dimensional variation. Special tests to be performed on the finished parts (in addition

to standard checks), are to be especially agreed and the costs of these tests are to be borne exclusively by the Buyer. The Supplier accepts no liability for the suitability of the goods supplied for the use intended, except with regard to the correct processing of the material.

X. DAMAGES AND PRODUCT LIABILITY

All claims for damages are excluded in cases of slight negligence. This does not apply to personal injury and in consumer business for damage to parts taken on for further processing. The presence of slight or gross negligence is to be proven by the injured party, unless it concerns a consumer business contract. If it is not a consumer business contract, the absolute statute of limitation of damage claims is 3 years from the transfer of risk. The regulations on damages in these GSDCs, or any other terms and conditions agreed, only apply if the claim for damages is made separately or instead of a warranty claim. Recourse claims as specified in § 12 of Austrian product liability law are excluded, unless the party justified for recourse proves that the fault and as a consequence the damage resulting from the original association of this fault can be attributed to stem from our area of control and are a result of gross negligence or intent.

Moreover, if the goods are supplied to resellers, the liability for damages deduced from product liability law, and any product liability claims deduced from other regulations, are excluded. In turn, resellers are obliged to state in contracts with their customers this exclusion of liability for damages as mentioned above (except in the case of end consumers). If this contractual obligation is not fulfilled, the receiver is liable for all damages that occur jointly and separately.

XI. TECHNICAL SUPPORT

Advice given by our employees in customer care and sales is provided to the best of our knowledge, inline with the state-of-the art and are based on normal operating and application conditions. The Buyer is obliged to advise us in writing if the operating and application conditions change in the period between issuing our proposal and shipping the goods. The goods supplied offer only the level of security that can be expected based on the content of standards, permits, descriptions in technical datasheets, compatibility lists, operator/user manuals, instructions from the supplier's works on handling and range of applications or application conditions as well as maintenance and other information provided at the time the contract is signed.

XII. TOOLS, SAMPLES, PLANS, DRAWINGS PROVIDED

For moulds, apparatus, instruments and other fabrication equipment provided by the Buyer or made but not delivered by the Supplier, the Supplier will assume responsibility for fabrication equipment provided and tools left for safekeeping and treat them with the necessary professional care. Further liability will not be assumed. In particular, the Supplier is not liable for loss of, or damage to, the equipment provided, regardless of which event is the cause. Insurance against all cases of damage (e.g. fire, storm damage or other risk) while the equipment is located on the Supplier's premises is the responsibility of the Buyer. The Supplier is obliged to ensure that no finished part of tools belonging to the Buyer is made available to other customers without the prior knowledge of the owner. Drawings, samples and all other documentation which have been submitted to the Supplier by the Buyer for implementing the contract are to be protected by the Supplier as well as possible against access by third parties without, however, the Supplier or their subcontractors assuming liability.

If no follow up order or other inquiry is received within 2 years of the last shipment, the Buyer will be advised of this situation and requested to make a clear statement within a period of 6 months regarding what is to be done next. If the Buyer allows this period to expire without making a statement, all documents and objects (drawings, plans, test specifications, reference samples, models and other technical documentation) can be used for another purpose at the seller's discretion. Existing tools can be supplied without charging for tool maintenance costs as long as the condition of the tools allows trouble-free operation. Maintenance costs for damage due to the natural wear of the tools or equipment are to be borne by the Buyer, who is also to bear the costs of tool modifications they ordered. For tools of all kinds that the Buyer makes available

to the Seller, the Buyer is to bear all costs incurred by the Seller for servicing and maintaining the tools provided.

XIII. PROTECTIVE RIGHTS

For goods supplied that the Seller manufacturers according to instructions made available by the Buyer or under contract from the Buyer where the Buyer confirms the fabrication documentation, the Buyer provides exclusive guarantee that through the manufacture of the goods supplied no protective rights of any kind or trade secrets of third parties are infringed. If any protective rights of third parties are then claimed, the Supplier is not obliged to check the correctness of the claim, but is entitled under exclusion of all damage liability claims from the Buyer to stop production of the goods and demand payment of the costs incurred. The Buyer is fully liable for non-consequential and consequential damages arising as a result of infringement or protective rights claims and the Supplier is entitled to demand a suitable advance on costs to cover all process costs. The Supplier is free to release at will all goods covered by the contract or goods manufactured by the supplier.

XIV. MINOR CHANGES IN PERFORMANCE

If the contract is not with a consumer business, then minor or other changes to our performance or delivery obligation that are acceptable to our customers are deemed approved. This applies in particular to certain necessary deviations (e.g. dimensions, colours, changes in material, etc.).

XV. CHOICE OF LAW, LOCATION OF FULFILMENT AND JURISDICTION

Austrian law applies. The contract language is German. The parties to this contract agree to Austrian jurisdiction. The location of fulfilment is expressly agreed as the place the delivery is handed over. The law court having jurisdiction at the address of the relevant company location will preside over any conflict resulting from this contract. If the contract is for consumer business, the law court having jurisdiction at our company's address will preside exclusively over any conflict resulting from this contract.

XVI. FINAL CLAUSES

Sub-agreements or amendments to these General Sales and Delivery Conditions are to be in written form. All preceding contracts or other agreements are no longer valid.

PERAQUA GesmbH (Issued January 2010)